Name of Company: On-Site Locate, Inc.

Name of Participants: Kyle Koterba, Luke Koterba, Shaun Nelson

Concept Description: We provide construction companies with a means to quickly and efficiently collect and format excavation site data in order to submit a location request to a Ticket Management Service, such as North Dakota One Call. This is accomplished through a software-as-a-service application developed for GPS enabled smart phones.

Opportunity: Approximately 326,000 US companies submit roughly 22.5 million construction locate requests annually. The locate request requirements can be confusing and cumbersome, resulting in the potential for inaccuracies and misunderstandings. These issues regularly cause frustration and inefficiency on the part of construction companies. A recent case study at a large municipal public works department in North Dakota revealed that their average man hours per locate exceeded 1 hour. In the same study this existing process also results in occasional mistakes by seasoned employees, causing additional work for the employees and delays in construction.

Innovative Solution: Over the past year, a 50% growth in the smart phone market has resulted in over a 40% market share of all phones in service. Furthermore, people are incorporating these powerful tools into every aspect of their lives and will continue to look for ways to leverage this computing power not only in their personal lives, but also their professional lives. Utilizing these increasingly common tools, On-Site Locate is able to provide a cloud based solution to increase productivity of those conducting construction locates in the field. By asking basic questions pertaining to the construction site, along with capturing GPS coordinates, we are able to deduce the specific type and location of work a contractor intends to perform as well as any regulator requirements. This is accomplished by establishing an unmistakable point of reference, and then providing a definitive description of the job site. This process removes any ambiguity that previously could have resulted from a verbally communicated construction site description. In the case study above, On-Site Locate was able to realize a time savings of approximately 50 minutes per locate while providing a precise description of the construction site. With an estimated 1,000 locates performed by the department per year, they could expect a reduction of 850 man hours, or $30,000.

Value Proposition: As demonstrated in our case study, we can provide significant time savings while also reducing the risk of costly delays caused by inaccurate construction site information born out of miscommunication between those requesting a locate and those marking underground lines. Based on smart phone usage statistics, we believe 10% of the current market has the internal conditions to adopt a service such as ours. These conditions include smart phone adoption as well as the volume of locates needed to provide economies of scale significant enough to justify the perceived burden of implementation. It is a commonly held belief

that a software implementation is an arduous process. However, our process will allow a customer to deploy our service in a matter of minutes, and with our intuitive mobile user interface, field users can be collecting construction site data by the time they open their instant activation email.

Competitive Advantage: Our competition is the current One Call regulatory system. This service is free; however they have little financial incentive to improve their process to make it efficient for the construction contractor. Much like what TurboTax does for individual income tax returns, our service would streamline the data collection process needed to submit a construction locate as well as remove the complexity typically involved. The realized cost savings for construction contractors using our service will greatly outweigh the cost of ownership.

There are two key barriers to entry for our competition; the first being the inherent nature of the bureaucratic structure of the regulatory system. New technologies would be difficult to quickly implement due to this structure. The second barrier is that there are 61 ticket management agencies in the United States with varied requirements and formats. Because each agency acts independently of each other, any adoption of competing technology would be limited to a relatively small geographical region. For those taking a similar approach as On-Site Locate, we would be first to market for a contractor focused locate service.

Entrepreneurial Team: Luke Koterba is an accountant and business owner. He holds degrees in both Business and Financial Accounting. He is responsible for financial aspects of the business. Kyle Koterba is a professional Electrical Engineer and has been involved in the construction industry for 14 years. He is responsible for technical development. Shaun Nelson has a degree in Marketing and has worked in the technology industry for 17 years. He is currently a team lead at a global software company as well as a business owner.

We lack a sales and marketing background in a small business setting, but have hired an outside consultant to assist us in identifying opportunity as well as with the production of a customer presentation.

Financial Highlights: If we are able to capture 10% of the national market, or 32,600 customers, our potential income per year is approximately $25 million. Our variable costs would be minimal, and would consist mainly of adding customer support and sales staff, increased office space, and sales commissions. We currently have 20% of our company available for investment from an angel investor for $250,000. Realizing our sales goals in the first year of 750 customers would result in a 15% return. The added revenue from the first year of sales would be used to hire additional sales staff. Realizing our second year sales goals of 2,250 customers would net an additional 80% return on the initial $250,000 investment.